

# **The 21st Texas Workers' Compensation Educational Conference**

## **Clean Claims and Electronic Medical Billing (eBill)**

### **An Overview of New/Amended Rules**

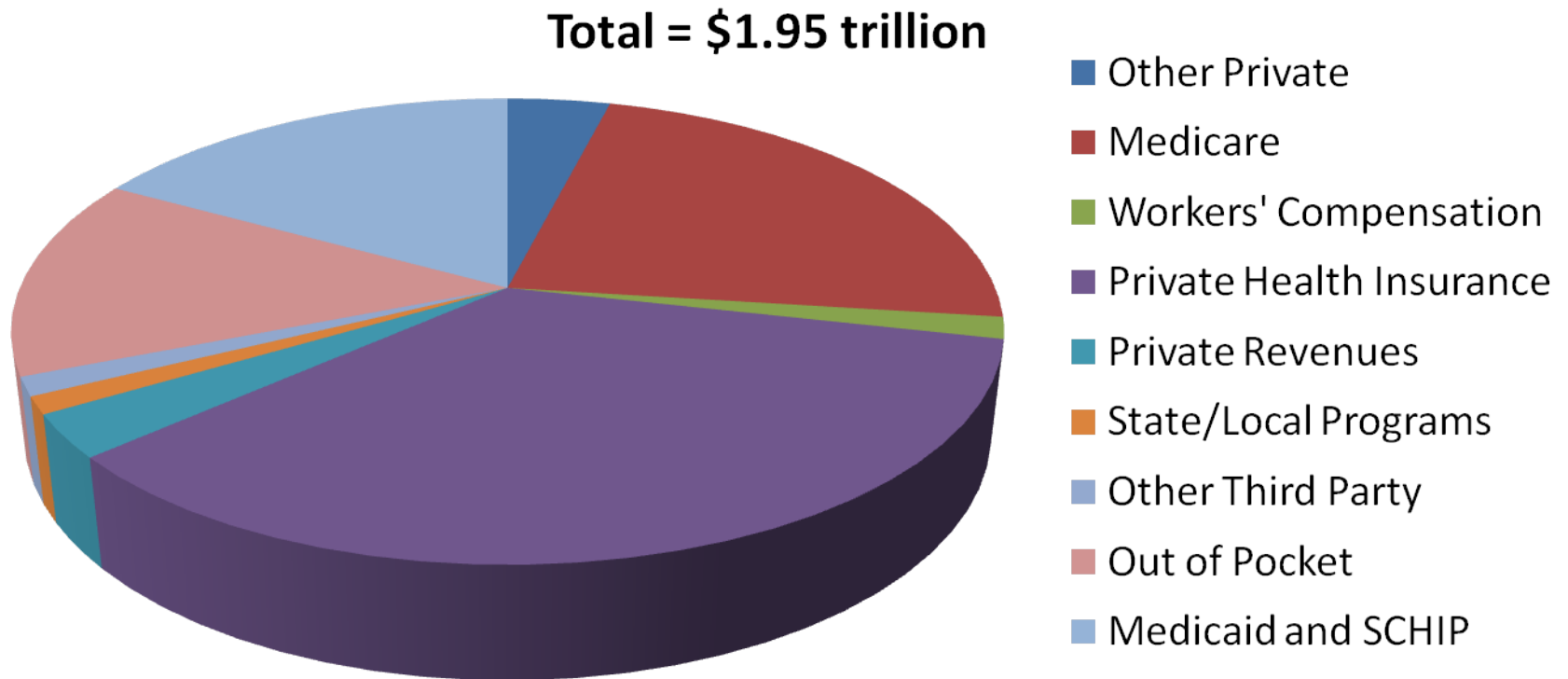
Allen McDonald  
Operations Technical Support  
[allen.mcdonald@tdi.state.tx.us](mailto:allen.mcdonald@tdi.state.tx.us)  
512-804-4530

# The 21st Texas Workers' Compensation Educational Conference

Why did the Division adopt new rules?

## **THE NEED FOR CHANGES**

# Annual Health Expenditures



SOURCE: Centers for Medicare & Medicaid Services, Office of the Actuary, National Health Statistics Group, 2010 Data Tables

# New Health Industry Standards

- Accredited Standards Committee (ASC) X12 005010 Technical Report Type 3's (TR3s) required on/after January 1, 2012
- National Council for Prescription Drug Programs (NCPDP) D.0 required on/after January 1, 2012
- ICD-10-CM and ICD-10-PCS required on/after October 1, 2013

# Other Change Drivers

- Align with billing and coding requirements prescribed by CMS as required by Labor Code §413.011
- Provide adequate time for testing and implementation
- Resolve inconsistencies in previous Clean Claim Instructions and eBill Companion Guide
- Establish rule framework for future updates/changes

# Effective Date

- All rule changes are effective August 1, 2011
- Current rules and requirements remain in effect until the effective date
- This approach provides a period of time to prepare, adjust current processes, and implement the required changes

# Applicability

- Rule requirements apply to **all** health care providers and insurance carriers, including workers' compensation medical services for:
  - Network
  - Non-network
  - Political subdivisions

# Applicable New/Amended Rules

- 28 Texas Administrative Code (TAC) §133.10, relating to Required Billing Forms/Formats
- 28 TAC §133.500, relating to Electronic Formats for Electronic Medical Bill Processing
- 28 TAC §133.501, relating to Electronic Medical Bill Processing
- 28 TAC §133.502, relating to Electronic Medical Billing Supplemental Data Requirements

<http://www.tdi.texas.gov/wc/rules/adopted/index.html>



# **The 21st Texas Workers' Compensation Educational Conference**

## **ELECTRONIC BILLING REQUIREMENTS**

# eBill Requirements

- Labor Code §408.0251 requires electronic medical billing and the Commissioner to establish exemptions
- Rule language modified to make certain every health care provider and insurance carrier understand requirements for submitting and receiving eBills

# Paper or Electronic?

- Health care providers must submit electronic medical bills unless:
  - The health care provider is exempt from eBill; or
  - The billed insurance carrier is exempt from eBill
- Insurance carriers must accept electronic medical bills unless the insurance carrier is exempt from eBill

# Health Care Provider Exemptions

- Employs fewer than 10 full time employees;
- Provided service to 32 or fewer injured employees during the preceding calendar year; or
- Sufficiently demonstrates unreasonable financial hardship and can provide supporting documentation

# Insurance Carrier Exemptions

- Placed in receivership
- Withdrew from certified self-insurance or self-insured group programs
- Issued an initial license to write workers' compensation within the current or preceding calendar year
- Paid benefits on less than 32 claims during the preceding calendar year
- No longer writes workers' compensation insurance in Texas
- Division approves exemption request due to unreasonable financial hardship

# Notification Requirements

- Insurance carriers must notify the Division before the beginning of each calendar year for which they will assert an exemption
- Notice must contain:
  - Insurance carrier FEIN
  - Contact Information
  - Description of facts related to the exemption

# Exemption Documentation

- If asked by the Division, you must provide documentation that supports your exemption within 15 days of the request
- These requests may be triggered by a complaint, dispute or audit

# eBill Transaction Standards

## **Prior to January 1, 2012**

- 004010X096A1
- 004010X097A1
- 004010X098A1
- 004010X091A1
- 004010X161
- 004050X151
- NCPDP 5.1

## **On/After January 1, 2012**

- 005010X221A1
- 005010X222A1
- 005010X223A2
- 005010X224A2
- 005010X231
- 005010X214
- 005010X210
- NCPDP D.0



# Acknowledgments

- Acknowledgments remain required
- Time frame to return acknowledgment increased to “two” working days
- Acknowledgments are not an admission of liability (the insurance carrier may still deny the medical bill for liability or other issues)

# Acknowledgments/Liability Issues

- Acknowledgments are not an admission of liability by the insurance carrier
- Insurance carriers may subsequently deny a medical bill due to liability or other issues
- Acknowledgments simply acknowledge receipt of eBills and provide responses on whether or not medical bills were “complete”

# Remittance Advice

- Electronic remittance notification (an electronic explanation of benefits) remains required
- Must be sent no later than 45 days after receipt of a complete eBill or within 5 days of generating a payment
- These time limits do not modify the date action is required by Labor Code §408.027

# Supplemental Data Requirements

- Rule 133.502 contains the list of data requirements for which the business use is different in Texas workers' compensation than in HIPAA transactions
- This additional clarification will be helpful to ensure automation systems and vendors can transmit and receive “complete” medical bills

# The 21st Texas Workers' Compensation Educational Conference

What else should I be concerned about?

## **GENERAL CHANGES**

# Paper Billing Requirements

- Rule 133.10 contains the list of required data elements
- Requirements listed by form and field number
- Situational requirements include the condition which explains “when” it is required
- Does not prevent sending additional information (e.g., DRG code or HIPPS rate code on UB-04)

# Patient Identifier

- Must be the patient's Social Security Number
- If the patient does not have a Social Security Number, use a default value of '999999999'
- Do not use other identifiers in this field, such as driver license number or passport number

# Claim Number

- The workers' compensation claim number assigned by the insurance carrier must always be populated
- If the claim number is not known by the health care provider, use a default value of 'UNKNOWN'



# National Provider Identification Number

- NPI number remains a requirement for all providers listed on the medical bill that are eligible to receive an NPI number (billing, rendering, referring, etc...)

# State License Number

- Required on **paper** professional, institutional and dental medical bills
- Required on **electronic** professional, institutional and dental medical bills submitted before January 1, 2012
- Not required **electronic** professional, institutional and dental medical bills submitted on and after January 1, 2012
- Must use specified format

# State License Number Format

- License Type
  - License number
  - Jurisdiction State Code
- For example:  
**MDF1234TX**
- License Types include:
    - Doctors: DC, DO, MD, DP, DS, OD
    - Nurses: CN, CR, RN
    - Therapists: MT, PT, OT
    - DME: DM
    - Psychologist: CP, PS
    - Other: AC, AM, AS, AU, CS, IL, LP, LS, MS, NF, OP, PA, PM, and RA

# Resubmission Condition Codes

- Required on electronic resubmissions of professional, institutional and dental medical bills
- Allowed on paper resubmissions
- W2 = Duplicate
- W3 = Level 1 Appeal (e.g., Request for Reconsideration)
- W4 = Level 2 Appeal (e.g., Division Decision)
- W5 = Level 3 Appeal (e.g., Administrative Law Judge or Judicial Review Decision)

# Separate Reimbursement for Surgically Implanted Devices

- Entities submitting a separate medical bill for surgically implanted devices must use the same form as the facility; and
- On paper medical bills, separate reimbursement request required in:
  - Supplemental Information on CMS-1500/Field 24d – 24h (shaded portion)
  - Remarks on UB-04/Field 80
- On eBills, claim supplemental information is required

# The 21st Texas Workers' Compensation Educational Conference

Anything new on pharmacy billing?

## **PHARMACY BILLING CHANGES**

# Dispensing Pharmacy and Prescribing Doctor's National Provider Identification Number

- NPI Numbers are required
- NCPDP number for dispensing pharmacy no longer used
- DEA number for prescribing physician no longer used

# Dispensed as Written (DAW) Code

- DAW Code used  
(previous DWC-066 used a check-box)
- NCPDP publishes the retail pharmacy implementation specifications adopted by the Division under 28 TAC §133.500
- The DAW Code List is maintained by NCPDP



# Preauthorization Number

- A new field has been added to the DWC-066 at the prescription level for the preauthorization number
- Preauthorization number is required when “preauthorization, voluntary certification or an agreement was approved and the insurance carrier provided an approval number to the requesting health care provider”

# The 21st Texas Workers' Compensation Educational Conference

When do I have to do what?

## **EFFECTIVE DATES**

# Paper Billing Requirements

- Rule 133.10 is effective August 1, 2011
- Insurance carriers may return incomplete medical bills based on these rules on and after August 1, 2011
- The new form DWC-066 (Statement of Pharmacy Services), or a mutually agreed upon form, is required on and after August 1, 2011

# Electronic Billing Requirements

- Rule 133.500, 133.501 and 133.502 are effective August 1, 2011
- New eBill exemption requirements begin on August 1, 2011
- Current electronic transaction sets remain in effect until January 1, 2012
- New electronic transaction sets required on and after January 1, 2012 (same as HIPAA)

# The 21st Texas Workers' Compensation Educational Conference

What should I do now?

## **NEXT STEPS**

# Suggested Actions

- Contact your clearinghouse (eBill agent) and make sure they are aware of the changes
- Contact your practice management system vendor and make sure your system can accommodate the changes
- Verify your NPI and the information you entered into the National Plan and Provider Enumeration System (NPPES)

# Double-Check

- Your practice management system/eBill agent must be able to support:
  - Property and Casualty Patient Identifier
  - Property and Casualty Claim Number
  - Healthcare Provider Secondary Identifiers (state license number)
  - Claim Supplemental Information

# **The 21st Texas Workers' Compensation Educational Conference**

**QUESTIONS?**